



STATE OF CALIFORNIA  
BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
**DEPARTMENT OF CORPORATIONS**  
California's Investment and Financing Authority

**NEWS RELEASE**

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**Arnold Schwarzenegger, Governor**

**William P. Wood, Commissioner**

FOR IMMEDIATE RELEASE  
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**California Department of Corporations Derails "Living Trust Mill"**  
**Scam Involving Insurance Agents Acting as Investment Advisors**  
*Insurance Agents Mislead and Illegally Push Seniors to Sell Securities and Purchase Annuities*

SACRAMENTO --- Following an investigation and subsequent order by the California Department of Corporations, a Texas Insurance company and a broker in California have been forced to stop pushing misleading and illegal investment advice that encourages senior citizens to sell assets and purchase unsuitable Annuities, Corporations Commissioner William P. Wood announced today.

Gloria Marguerite Walton of Benicia is a broker for the Texas-based Gentry Group, which operates what is commonly referred to as a "living trust mill." Walton lures seniors to meet with her to hear free advice about living trusts when in fact she pushes seniors to unknowingly purchase annuities, many of which are unsuitable.

Through its investigation, the Department found that in one instance Walton solicited a 78-year old woman in Oroville on behalf of Gentry for "...estate planning review, which is provided to you as a continuing service, free of charge or obligation..." The woman had no prior relationship with Gentry Group or Walton. By the end of the meeting, Walton had induced the woman to sign documents authorizing the sale of securities valued at nearly \$100,000 and use those funds to purchase two annuities from American Equity, a Des Moines, Iowa life insurance company who pays a commission to Walton and Gentry Group.

"The Gentry Group is a dangerous operation that targets seniors, luring them into financial situations that are often times unsuitable for their needs," said Corporations Commissioner William P. Wood. "It's critical that everyone checks with the Department to make sure the advice they are hearing is from a licensed investment advisor."

The Department of Corporations has ordered Walton, Gentry Group and American Equity to stop illegally giving investment advice without a license as required by California law. Seniors are urged to contact the Department's Seniors Against Investment Fraud (SAIF) program at 1-866-275-2677 to verify the legitimacy of an investment advisor and learn how to avoid becoming a victim of investment fraud.

The Department of Corporations is California's Investment and Financing Authority. The Department is responsible for the regulation, enforcement and licensing of securities, franchises, off-exchange commodities, investment and financial services, independent escrows, consumer and commercial finance lending and residential mortgage lending. For further information or to obtain a complaint form, please visit the Department's web site at [www.corp.ca.gov](http://www.corp.ca.gov) or call 1-866-ASK-CORP (1-866-275-2677).